REMARKS

Claims 1-9, 26-32, and 40-49 are currently pending in the application. Claims 10-25 and 33-39 were previously canceled and Claims 41-49 were previously withdrawn from consideration. Claims 1 and 9 are amended. Applicants respectfully request reconsideration of the pending claims in view of the following remarks.

Claim Rejections – 35 U.S.C. §103

The Examiner rejected Claims 1-9, 26-32 and 40 under 35 U.S.C. § 103 as being unpatentable over U.S. Patent No. 6,088,686 ("Walker") in view of U.S. Patent No. 6,119,103 ("Basch").

Walker does not disclose the subject matter of amended independent Claim 1. More specifically, Walker does not disclose a computer-implemented method of automatically evaluating a financial account applicant for a financial institution comprising inputting the credit bureau data and the account information to a risk model and electronically generating a score for the applicant from an output of the risk model; and determining whether to open the financial account based on the score.

Walker discloses a system and method for on-line processing of credit applications. The system includes a financial network terminal 14, a front-end processing and communications system 16, and an ACAPS processing system 26, which accesses various databases. Walker, col. 12, lines 36-48; FIGS. 1A-1B. A local branch representative ("LBR") 12 enters applicant data and the requested credit product. Id., col. 13, lines 5-12. The entered data is transferred to the ACAPS system 26 for on-line review and approval decision processing. Id. at lines 13-18.

The ACAPS system 26 accesses existing customer information stored in databases 18, 20, and 22 to determine a relationship code, which is used to identify price offers for the credit products. Id. at lines 19-47. The ACAPS system 26 proceeds to perform a front-end pre-screening process to identify any credit-qualified offers that the LBR 12 can present to the customer 10. Id. at lines 48-67. If the customer 10 accepts any of the offers, the credit qualified offer is converted to a request for credit, which requires on-line credit processing for final decision. Id., col. 14, lines 1-4. The ACAPS system 26 performs a fraud verification, and, if the applicant data passes, the ACAPS system 26 gathers credit bureau reports. Id. at lines 17-27. The ACAPS system 26 performs a disaster/policy screening, and, if the applicant data passes, a disaster response code (e.g., A, B, C, or D) is assigned to the application. Id. at lines 28-36; col. 7, lines 30-50; FIG. 41.

The ACAPS system 26 continues to process the application by performing a debt burden verification, and, if the applicant data passes, a debt burden response code is assigned to the application. Id. The ACAPS system 26 selects the worst response code between the disaster response code and the debt burden response code, which becomes the credit decision subcode. Id., col. 14, lines 47-49; col. 7, lines 30-50. The credit decision subcode or scoring response code is used to determine where the scoring response code falls within certain predetermined turndown cutoff ranges (e.g., Hard Approval, Investigate Reject-1, Investigate Reject-2, or Hard Reject-3) in order to assign a status code (e.g., RA-recommend approval, CA-conditional approval, CO-counter-offer approval, or RT-recommend turndown) to the application. Id., col. 14, line 47 through col. 15, line 21; FIG. 9. The status code determines whether to accept or reject the application or whether to provide a conditional approval of the application. Id.

If the applicant requests a bankcard, the ACAPS system 26 performs additional processing. Id., col. 15, lines 22-25. The applicant data and requested product information is transferred to the bankcard account fulfillment system ("AFS") 40. If the applicant data passes the AFS 40 requirements, the requested product is assigned a credit limit based on either the application credit score and applicant income or the applicant's bank relationship amount and income. Id. at lines 39-43. The AFS 40 performs a maximum debt burden offer if the assigned credit limit is within a certain range to calculate a credit limit. Id. at lines 45-60; col. 7, lines 58-66; col. 8, lines 5-10. If the applicant 10 is not a student, a non-resident alien or self-employed, the AFS 40 assigns a bank liability balance response code (e.g., A, B, C, or D) to the application. Id., col. 15, line 61 through col. 16, line 15; col. 7, lines 30-50.

The ACAPS 26 selects the better of the liability balance response code and the credit response code as the final response code. Id., col. 16, lines 15-18; col. 7 lines 30-50. Based on the final response code, the automated review of the applicant data, and the scoring response code, the ACAPS 26 presents an automated credit offer decision. Id., col. 16, lines 19-21.

The Examiner acknowledged that "Walker does not explicitly teach the step of generating a score for the applicant based on the credit bureau data and the account information." Office action dated October 19, 2004, page 3. Walker discloses a system that assigns a first alpha response code to disaster screening data and a second response code to debt burden data. The system of Walker selects the worst response code to be the credit decision subcode. The system of Walker assigns a third alpha response code to bank liability data, and the system selects the better of the credit decision subcode and the bank liability

response code as the final alpha response code. The system of Walker merely assigns independent response codes to specific data and selects the best or worst response code to be the combined response code (as in the credit decision subcode and the final response code). In other words, in the system of Walker, the specific data is considered independently of other data when assigning the response codes – the data is not combined prior to assigning a response code. Walker does not teach or suggest generating a score for credit bureau data and applicant account information. Again, the system of Walker merely assigns independent response codes to specific data and selects the best or worst response code to be the combined response code.

Basch does not cure the deficiencies of Walker. Basch does not disclose a computer-implemented method of automatically evaluating a financial account applicant for a financial institution comprising inputting the credit bureau data and the account information to a risk model and electronically generating a score for the applicant from an output of the risk model; and determining whether to open the financial account based on the score.

Rather, Basch discloses that public record data is entered into FRPS to authenticate scoreable transactions and to create a predictive model. Id. at lines 44-48. The predictive models are generated based on public records and are used to score the scoreable transactions, which are defined at column 5, lines 8-16. The Board of Patent Appeals and Interferences indicated on page 8 of the Decision that "Basch teaches using the credit bureau data to create predictive models against which the scoreable transactions (i.e., account information) are scored ... . Thus, the score is 'based on' the credit bureau data."

In addition, the credit bureau data is not input to the predictive model since it was already used to create the predictive model. The following paragraph in column 5 of Basch indicates that credit bureau data cannot be included as a scoreable transaction because

> [u]nlike prior art risk prediction techniques which typically employ only historical payment data for financial risk assessment purposes, the present invention advantageously takes advantage of the immediacy of scoreable transactions in assessing financial risks. Since scoreable transactions more accurately reflect the current financial risk level of a particular account and/or account holder than historical payment data, the use of scoreable transactions in assessing financial risk advantageously enables account issuers to timely receive financial risk scores based on events that impact financial risk rather than on data which are updated only monthly or per billing cycle.

Id., col. 5, lines 17-29.

To further support Applicant's argument that credit bureau cannot be included as a scoreable transaction, Basch, consistent with the recited paragraph above, states

> The data kept by credit bureaus is significantly dated since data from the various account issuers is typically not updated with the credit bureaus until after the end of each billing cycle (which may be, for example, monthly or quarterly). Accordingly, the credit bureaus typically do not have accurate or adequate data pertaining to the credit performance of a particular account holder in between reporting periods. Since credit bureau scores are not based on financial transaction data, a credit bureau would not be able to, for example, warn account issuers that certain accounts an/or account holders are at risk based on the recent transactions.

Id., col. 2, lines 21-32.

For at least the reasons discussed above, Walker and Basch do not disclose the subject matter of Claim 1. Accordingly, independent Claim 1 is allowable. Claims 2-8 and 40 depend from independent Claim 1 and are allowable for the same and other reasons.

Walker and Basch also do not disclose the subject matter of amended independent Claim 9 for at least the reasons discussed above with respect to Claim 1. As noted above, Walker and Basch do not disclose inputting the credit bureau data and the account information to a risk model and generating a score for the applicant from an output of the risk model. Accordingly, independent Claim 9 is allowable. Claims 26-32 depend from Claim 9 and are allowable for at least the reasons Claim 9 is allowable.

CONCLUSION

In view of the foregoing, entry of this Amendment and allowance of the pending claims are respectfully requested. The undersigned is available for telephone consultation during normal business hours.

Respectfully submitted,

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